

STATE OF WASHINGTON
EMPLOYMENT SECURITY DEPARTMENT
P.O. BOX 9046
OLYMPIA, WASHINGTON 98507-9046

REQUEST FOR UNEMPLOYMENT INSURANCE TAX PAYMENT METHOD

ES Reference No.

UBI Number

Name: _____ Business Phone: _____

Mailing Address: _____

I. NON-PROFIT ORGANIZATIONS - Attach a copy of the Certificate of Exemption under Section 501(c)(3) of the Internal Revenue Code.

Check A. or B. to select method of unemployment insurance payments:

- ☐ A. Quarterly wage reports with regular payment of tax due.
- ☐ B. Payments in lieu of tax in an amount each quarter equal to the amount of benefits paid to former workers during the preceding quarter. (Reimbursable)

II. POLITICAL SUBDIVISIONS - Is Political Subdivision or Instrumentality a City, County, or Town?

☐ Yes ☐ No

If "Yes" complete A only, if "No" complete B only.

A. Cities, Counties, and Towns only.

Check one to select method of unemployment insurance payments:

- ☐ 1. Local Government Tax.
- ☐ 2. Quarterly payments in lieu of tax in an amount each quarter equal to the amount of benefits paid to former workers during the preceding quarter. (Reimbursable)

B. All other Political Subdivisions or Instrumentalities of the state.

Check one to select method of unemployment insurance payments:

- ☐ 1. Quarterly wage reports with regular payment of tax due.
- ☐ 2. Quarterly payments in lieu of tax in an amount each quarter equal to the amount of benefits paid to former workers during the preceding quarter. (Reimbursable)

CERTIFICATE: The statements provided above are hereby certified to be correct to the best knowledge and belief of the undersigned:

Signed by: _____ Title: _____ Date: _____

(Please See Explanation on Reverse)

Most political subdivisions and nonprofit organizations that are exempt from federal unemployment taxes under Section 501(c)(3) of the IRS Code have more than one option for unemployment insurance payments. The following is an explanation of the payment methods available:

- Quarterly wage reports with regular payment of tax due:

This is the financing system for all employers in the private sector. This option is available to nonprofit employers and political subdivisions except cities, counties and towns. Taxes are paid quarterly, based on the tax rate and tax ceiling in effect for that rate year. Washington's tax rate is a variable rate determined by the employer's experience with unemployment. In the event there is not sufficient experience, the previous owner's tax rate or the average tax rate for the industry is assigned until the employer can qualify for his or her own experience rate.

- Payment in Lieu of Tax (Reimbursable):

This method is used by some nonprofit organizations, and available to all political subdivisions. A reimbursable employer receives a billing every three months for its share of unemployment insurance benefits received by former employees during the preceding calendar quarter. Reimbursable employers must pay the total amount due within 30 days of billing.

- Local Government Tax:

This method is available only to cities, counties, and towns. A tax rate of 1.25 percent of total remuneration is assigned for the first eight (8) quarters for new employers electing this option. After that period, the tax rate is computed using an experience rating system. These rates vary from 0.2% through 3.0%. No employer's tax rate shall increase more than 1.0 percent from one year to the next.

Choose the method of unemployment insurance payments you wish by completing this form.

If your organization is nonprofit, you must attach a copy of the IRS Certificate of Exemption under 501(c)(3). Corporate officers must be reported regardless of which payment option you choose.

If you have any questions, contact the District Tax Office in your area or the Status Unit in Olympia at (360) 902-9360.